CLASSIFICATION HF TOMIT'IAL 2<u>5X1A2a</u>

ENGE OF ENGYRDP82-05457R002 CD NO.

COUNTRY Uruguay/Argentine

DATE DISTR. 2 Feb 1949

SUBJECT Penetration

Attitude of Uruguayan President on Argentine

25X1A6a

NO. OF PAGES 3

PLACE **ACQUIRED** DATE OF INF

NO. OF ENCLS.

SUPPLEMENT TO

25X1X6 REPORT NO.

- 1. On 21 December 1948 Uruguayan President Luis Batlle Berres and Uruguayan Socialist Deputy Dr. Arturo Dubra held an interview concerning the danger to Uruguay of the present attitude and activities of the Argentine government. In a House of Deputies' discussion on a joint Uruguayan-Argentine hydroelectric development at the Falto Grande falls, Dubra had pointed out the dangers to Uruguay of Poron's totalitarian government and subsequently had discussed the matter with the Minister of Public Norks Manuel Rodriguez Correa. Rodriguez Correa conveyed Dubra's opinions to the President, who then requested the interview.
- 2. Dubra outlined to Batlle Berres the opinion of Argentine Socialists on Argentina's present attitude and its threat to Uruguay. The principal reasons for concern are Argentina's enormous militarisation program and the state of permanent excitement in which Peron is maintaining a large percentage of the Argentine people. It is necessary for Peron to keep these people supplied with motives for enthusiasm in order to retain their unconditional support. Another reason for concern is the open ambition of Peron and of the military group arising out of the Grupo de Oficiales Unidos (GOU). The Argentine Socialists believe that these three factors might result in a Peron military adventure. Dubra specifically mentioned Dr. Nicolas Repetto and Americo Chioldi, Argentine Socialist Party leaders, as individuals who share these opinions and who view Uruguay's future with pessimism.
- 3. The President, after indicating his full agreement with Dr. Dubra's fears, related the following events and opinions:
 - a. He indicated his concern over Paronista infiltration into the Uruguayan Army, which is accomplished through military men of the Herrerista and non-Batilista Colorado political groups. He claimed that so many of these elements exist that it would be impossible for him to take action against all of them simultaneously. The changes in command frequently being made are for the purpose of removing Peronista officers and advancing men in whom he has confidence. However, he believes he would be unable to fill all of the Army upper echelons with his followers since so many Peronistas are among those now in authority.

WARNING NOTICE: THIS DISTRIBUTION ISTING MUST BE CLASSIFICATION PUBLIC RELEA THIS DOCUMENT: STATE X NAVY NSRB ARMY AIR Fal Document No. NO CHANGE in Class. to hereby regraded DECLASSIFIED Class. CLANGED TO: TS the the DOA Memo, 4 Apr 77 Auth: DBA R3G. 77/1763 Sanitized - Approved For Release : CIA-RDP82200457R01123d82250001024

CENTRAL INTELLIGENCE AGENCY



b. Another great concentration of Peronistas is found in the Herrerista Party. Battle Berres recently held an interview with Dr. Luis Alberto Herrera, leader of the Herrerista Party, at which time he stressed that the Uruguayan government has proof that Peron is attempting to obtain economic, political, and military supremacy over the fouth American countries, and that in the case of Uruguay this infiltration is being effected through the Herrerista Party with the help of some of its principal leaders. The President told Herrera that he desired to discuss this matter with him because he felt sure that Herrera, as an honored statesman near the close of his career, could have no connection with this policy of treason. However, men like Victor Haedo, who aspire to succeed Herrera, are completely at the service of Peron. Battle Berres added that he could understand Herrera's desire to destroy the

prestige of the Batllista Party and thus overthrow it, but he could never

o. Dr. Herrera made no commitments at the time of this interview, but he accepted the President's statements in their general terms. Later the President received information which tended to indicate that Herrera was quite impressed with the interview and that he was taking some steps to isolate Haedo from the Herrerista masses. However, because a great number of the Herrerista leaders, Deputies, and Senators are apparently Peronistas, Herrera is not publicly anti-Peron. Nevertheless, Battle Berres feels sure that Herrera would never permit himself to be a direct instrument of Peron, and that so long as Herrera lives, the Herrerista Party will not become a springboard for Peron to use in seizing Uruguay.

conceive of Herrera's selling out to a foreign despot.

- d. The President admitted to Dr. Dubra that the only motive for his trip to Brazil was to discuss the matter of Uruguayan independence with Brazilian government leaders and to ascertain what attitude the Brazilians would adopt if Uruguay were threatened by Argentina. He then confidentially stated that his trip had been a complete failure in this regard. Brazilian President Dutra and one of his advisers would promise nothing and avoided answering what attitude they would adopt in case Uruguay were threatened. Batlle Berres concluded that Brazil, as well as Argentina, could be considered a danger to the independence of Uruguay. Dutra and his associates feel that their present position is weak and they are almost convinced that Vargas will win in the next elections. Vargas is allied with the Brazilian Communist leader Luis Carlos Prestes and with Peron, who will give him financial support for his campaign. If Vargas should win, Brazil would cooperate with Argentina in her effort to spread her influence throughout South America. As a result of Batlle Berres' visit to Brazil, he feels that despite the fact that the neighboring countries are favorably disposed toward Uruguay, none of them want it as an ally because of its lack of military strength, which would make the country a liability in the event some danger should arise.
- e. Dr. Alberto Dominguez Campora was sent to the United States as Uruguayan Ambassador instead of Dr. Juan Carlos Blanco Acevedo for the specific purpose of outlining to North American leaders the President's fears concerning Feron's policies. In mid-December 1948 Batlle Berres received a personal report from Dominguez Campora in which he indicated that he had carried out the primary mission with which the President had charged him. He revealed that although he had been unable to see General Marshall, he had talked with Paul C. Daniels, Director of ARA, Department of State.
- f. Batlle Berres related that after several attempts on the part of Peronista agents to overthrow the Paraguayan government, Paraguayan President Natalicio Gonzalez arranged a meeting in Montevideo to which he sent a personal delegate as well as delegates representing the Liberal and Febrerista parties. At this meeting Gonzalez's delegate brought up the problem of Paraguay's independence and existence as a sovereign state. He proposed that the Liberals,



Sanitized - Approved For Release: CIA-RDP82-00457R002300250001-2

COUPLONFIDENTIAL

25X1A2g

CENTRAL INTELLIGENCE ASSICY

3

the Februristas, and the group now in power set aside their difficulties until the problem of Paraguayan independence could be solved. He then quoted President Consales to the effect that should another uprising prepared by Peronista agents endanger his present position, he would declare war on Argantina. It was on this point that Consales's delegate was seeking the support of the other two parties. The Liberals accepted but the Februristas refused the proposition. Battle Berres expressed the hope that this situation in Paraguay might divert the danger away from Uruguay. He indicated that Brasil would support Paraguay in a struggle against Argentina at the present time, and he stated his belief that the United States would also support Consales.

g. With regard to Argentine Foreign Minister Juan A. Bramuglia's recent visit to Uruguay, Batlle Berres claimed that he had been informed that Bramuglia was coming to Uruguay to discuss, in rather violent terms, the power development at Salto Grande in order to force Uruguay to act rapidly on the arrangements for this project. Batlle Berres was disturbed about this matter for he knew that if Bramuglia were impertinent and bold in his approach, he would be forced to demand that Bramuglia leave. He first sent Dr. Dardo Regules, Uruguayan Senator and leader of the Union Civica party, to meet Bramuglia upon his arrival. Regules was able to confirm the President's belief that Bramuglia had come to discuss the calto Grande project in angry tones. Consequently, Datlle Berres turned upon Bramuglia and demanded to know the meaning of Argentina's purchase of 27 landing barges from the United States which could be used only along the banks of the River Plate. He asked if Argentina was preparing to invade Uruguay. Bramuglia was so surprised by this outburst that after an hour's explaining he withdrew from the interview without even mentioning the Salto Grande problem. However, pressure has been exerted by Argentina since that time on the Uruguayan Embassy in Buenos Aires and on the Uruguayan government. Diplomatic negotiations on this matter continue to be carried on in umpleasant tones and, although the President was able to avoid a orisis by means of the tactics referred to above, he is still concerned about the situation.